

FY 1998 PPS PAYMENT IMPACT FILE

<u>File Pos.</u>	<u>Format</u>	<u>Title</u>	<u>Description</u>
1-4	4.	Average Daily Census (ADC)	From cost reports
6-9	4.	Number of Beds	From cost reports
11-18	8.2	Medicare Discharges	From 1997 MEDPAR file (adjusted for transfer cases) ^{1,2}
20-25	6.4	Case-Mix Index	Version 16 GROUPER (adjusted for transfer cases) ³
27-32	6.4	Operating Cost of Living Adjustment	Applied to providers in Alaska and Hawaii for operating PPS
34-39	6.4	Capital Cost of Living Adjustment	Applied to providers in Alaska and Hawaii for capital PPS
41-49	9.7	Capital Outlier Percentage	Estimated capital outlier payments as a percentage of Federal capital PPS payments
51-56	7.5	Capital Cost-to-Charge Ratio	From Provider Specific File, ratio of Medicare capital costs to Medicare covered charges
59-67	9.7	Disproportionate Share (DSH) Patient Percentage	As determined from cost report and Social Security Administration (SSA) data
69-77	9.7	Capital DSH Adjustment Factor	Applied to Federal PPS payments
79-87	9.7	Operating DSH Adjustment Factor	Applied to operating PPS payments
89-94	\$6.	Hospital's Fiscal Year Ending Date	From cost report

96-103	8.2	Hospital-Specific Rate	Higher of 1982 or 1987 hospital-specific rates, updated through FY 1999. (Data for Sole Community Hospitals, Essential Access Community Hospitals, and Medicare-Dependent Small, Rural Hospitals.)
105-108	\$4.	Pre-Reclassification Metropolitan Statistical Area (MSA)	MSA where hospital is actually located, prior to any reclassification decisions by the Medicare Geographic Classification Review Board (MGCRB). Rural areas designated by two digit SSA State codes. ⁴
110-113	\$4.	Post-Reclassification FY 1999 MSA (Wage Index)	MSA used for wage index assignment after reclassification by the MGCRB.
115-118	\$4.	Post-Reclassification FY 1999 MSA (Standardized Payment Amount)	MSA used for standardized amount assignment after reclassification by the MGCRB.
120-126	7.5	Operating Cost-to-Charge Ratio	From Provider Specific File, ratio of Medicare operating costs to Medicare covered charges
128-136	9.7	Operating Outlier Percentage	Estimated operating outlier payments as a percentage of operating PPS payments
138-143	\$6.	Provider Number	Six character provider number, first two digits identify the State ⁴
145-146	2.	Provider Type	0 = Short term PPS hospital 7 = Rural Referral Center 8 = Indian hospital 14 = Medicare-Dependent, Small Rural Hospital

- 16 = Sole Community Hospital
- 17 = Sole Community Hospital and Rural Referral Center
- 21 = Essential Access Community Hospital (EACH)
- 22 = EACH and Rural Referral Center

148-154	7.5	Resident-to-ADC ratio	Used to calculate the indirect medical education (IME) adjustment for capital PPS payments
156	\$1.	Reclassification Status	<p>Indicates hospitals reclassified by the MGCRB</p> <ul style="list-style-type: none"> N = Not reclassified R = Reclassified for the standardized payment amount W = Reclassified for the wage index B = Reclassified for the standardized payment amount and the wage index L = Reclassified under Section 1886(d)(8) of the Social Security Act
158-159	2.	Census Division	<p>Based on pre-reclassification MSA assignment</p> <ul style="list-style-type: none"> 1 = New England

- 2 = Middle Atlantic
- 3 = South Atlantic
- 4 = East North Central
- 5 = East South Central
- 6 = West North Central
- 7 = West South Central
- 8 = Mountain
- 9 = Pacific
- 40 = Puerto Rico

161-166	6.4	Resident-to-Bed Ratio	Used to determine IME factor for operating PPS payments
168-176	9.7	Capital IME Adjustment	Based on resident-to-ADC ratio
178-186	9.7	Operating IME Adjustment	Based on resident-to-bed ratio
188-193	\$6.	Pre-Reclassification Urban/Rural Location	Urban/rural designations based on geographic location prior to reclassification by the MGCRB LURBAN = Large urban area OURBAN = Other urban area RURAL = Rural area
195-200	\$6.	Post-Reclassification Urban/Rural Location	Urban/rural designations after reclassification by the MGCRB (see pre-reclass urban/rural location for key)
202-207	6.4	Medicare Utilization Rate	Medicare days as a percentage of total inpatient days. (Data not available for all hospitals)

209-217	9.7	Capital Wage Index	Used to determine geographic adjustment factor
219-227	9.7	Operating Wage Index	Applied to labor-share of standardized amount
229-232	4.	Mileage to Nearest Hospital	Travel distance, used to determine eligibility for hospital-specific payments for reclassified sole community hospitals.

Notes:

¹ Medicare discharges are adjusted to account for the less-than-full (per diem) payment hospitals receive for cases transferred to another PPS hospital prior to reaching the geometric mean length of stay for the DRG. The adjustment is calculated by accounting for transfers in proportion to the total per diem payment relative to the full DRG amount, calculated as:

$1 \times (\text{Length of stay prior to transfer plus one day} \div \text{Geometric Mean LOS}),$

where the result cannot exceed 1.

² In addition to transfers from one PPS hospital to another, Medicare discharges are adjusted to account for the implementation of section 4407 of the Balanced Budget Act, which requires Medicare to pay as transfers discharges from 10 DRGs to postacute care. In the case of seven of these DRGs (14, 113, 236, 263, 264, 429, and 483), transfers to postacute care are paid using the same methodology as transfers from one PPS hospital to another. For three DRGs (209, 210, and 211), payment is equal to half of what the case would get under the PPS to PPS transfer methodology, and half of what the case would be paid if it were paid as a normal discharge.

³ The case-mix index is also adjusted to account for transfers occurring before the geometric mean length of stay. This adjustment is calculated as:

DRG Relative Weight X (Transfer Payment Amount ÷ Full DRG Payment Amount).
Transfer adjusted number of Medicare discharges.

⁴ SSA State Codes:

01	ALABAMA	06	COLORADO
02	ALASKA	07	CONNECTICUT
03	ARIZONA	08	DELAWARE
04	ARKANSAS	09	DISTRICT OF COLUMBIA
05	CALIFORNIA	10	FLORIDA
		11	GEORGIA

12 HAWAII
13 IDAHO
14 ILLINOIS
15 INDIANA
16 IOWA
17 KANSAS
18 KENTUCKY
19 LOUISIANA
20 MAINE
21 MARYLAND
22 MASSACHUSETTS
23 MICHIGAN
24 MINNESOTA
25 MISSISSIPPI
26 MISSOURI
27 MONTANA
28 NEBRASKA
29 NEVADA
30 NEW HAMPSHIRE
31 NEW JERSEY
32 NEW MEXICO
33 NEW YORK
34 NORTH CAROLINA
35 NORTH DAKOTA
36 OHIO
37 OKLAHOMA
38 OREGON
39 PENNSYLVANIA

40 PUERTO RICO
41 RHODE ISLAND
42 SOUTH CAROLINA
43 SOUTH DAKOTA
44 TENNESSEE
45 TEXAS
46 UTAH
47 VERMONT
49 VIRGINIA
50 WASHINGTON
51 WEST VIRGINIA
52 WISCONSIN
53 WYOMING

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